

IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

UNITED STATES OF AMERICA : FACTUAL BASIS  
: :  
v. : :  
: :  
CRAIG STANFORD EURY, JR. : 1:14CR39-1

NOW COMES the United States of America, by and through Ripley Rand, United States Attorney for the Middle District of North Carolina, and as a factual basis under Rule 11 of the Federal Rules of Criminal Procedure, states the following:

INTERNATIONAL LABOR MANAGEMENT CORPORATION ("ILMC") was a corporation organized under the laws of the State of North Carolina with its headquarters and place of business in Vass, Moore County, North Carolina, in the Middle District of North Carolina. At all times material herein, ILMC was in the business of preparing and submitting petitions on behalf of client companies to the United States government for temporary alien workers under the H-2B Visa program and the H-2A Agricultural Visa program.

CRAIG STANFORD EURY, JR. ("Eury") founded ILMC in 1994. Eury held the primary ownership interest in ILMC. Prior to April 2008, Eury was the president of ILMC. From April 2008 to the dissolution of ILMC in 2014, S.E.F. was the President of ILMC. In this role, S.E.F. maintained her office and place of

business at the offices of ILMC in Vass, Moore County, North Carolina, in the Middle District of North Carolina. Prior to April 2008, S.E.F. was the Vice President of Operations of ILMC and worked under the direction of Eury.

At all times Eury maintained financial control of ILMC as founder and owner. Prior to April 2008, Eury established and was aware of the policies followed by ILMC in its operations seeking issuance of H-2B and H-2A Visas for clients.

After April 2008, when S.E.F. became president, Eury was less involved in the day to day operations of ILMC. However, he maintained financial control of the company at all times and personally benefitted from ILMC's profits. In this role Eury was aware of and involved in decisions involving larger issues of ILMC's business and policies. He had contact with ILMC's larger clients including Scott Porter of Boone, North Carolina.

United States Citizenship and Immigration Services, as part of the Department of Homeland Security, is an agency within the executive branch of the government of the United States with the duty of enforcing and administering the immigration and citizenship programs of the United States, including the approval of I-129 Visa Petitions.

The United States Department of State is an agency within the executive branch of the government of the United States with the duty of regulating the issuance of passports and visas for

entry into the United States including the issuance of H-2B Visas for the entry of temporary foreign workers into the United States.

OBSTRUCTION OF THE LAWFUL FUNCTIONS OF USCIS

From December 2009 through 2013, Eury, S.E.F. and others agreed, through ILMC, to take actions that interfered and obstructed the lawful functions of USCIS in administering the H-2B Visa program pursuant to the laws of the United States. Each of these actions was intended to obstruct, impair and defeat the lawful functions of USCIS in administering the H-2A and H-2B visa program. These actions included the following:

1. ILMC employees placed the false signatures of the officers of ILMC client employers on the employer certifications of I-129 H-2A and H-2B petitions made under the penalty of perjury thereby representing to USCIS that the petitions had been certified to be factually accurate by the petitioning employers. In fact, the employers had not reviewed or even seen the I-129 petitions and could not certify that they were accurate.

2. ILMC agreed with client Scott Porter that Porter would create a company named "WinterScapes" to allow I-129 Petitions to be prepared at the direction of Eury and S.E.F. under the false representation that large numbers of H-2B Visas were needed for the ski industry in the North Carolina

mountains. In fact, ILMC knew that the majority of such workers were not needed for the ski industry but would cross into the United States for the purpose of working at golf courses in Georgia and South Carolina despite the fact that their H-2B Visas had been approved for work at ski resorts.

Obstruction of the Lawful Function of the Department of State

Prior to January 2009, Consular Solutions, Inc., ("CSI") a worker processing company in Mexico controlled by Eury, Kenneth White and Harry Lee Wicker, and acting at their direction, required foreign workers to pay a fee as a condition of their offer of H-2A and H-2B employment in the United States. A large portion of this fee was then transferred by CSI to accounts in the United States controlled by Eury, Wicker, and White for their personal use and benefit. CSI refused to aid foreign workers to apply for their H-2A or H-2B visa already approved by the United States Government if they did not pay the fee for the benefit of Eury, Wicker and White.

Effective in January 2009, the United States Department of Homeland Security promulgated regulation 8 C.F.R. § 214.2(h)(6)(i)(B) and 20 C.F.R. §§ 655.135(j) and (k), which prohibited a facilitator, recruiter, or similar employment service from charging a fee from workers as a condition of the offer of obtaining H-2B or H-2A employment.

To avoid losing their per-worker fee due to the promulgation of new regulations barring the charging of worker fees as a condition of H-2A and H-2B employment, Eury, Wicker and White formed a corporation known as Application Services and Administrative Programs, LLC ("ASAP") to collect a fee from the employer clients of ILMC and a second immigration company controlled by Eury, Wicker and White known as The Labor Company ("TLC"). Eury, Wicker and White caused employer clients to be informed that the fee was for recruiting services in Mexico. In fact, the \$99.00 fee charged by ASAP included a mark-up for the benefit of Eury, Wicker and White.

In the same time period, Eury, Wicker and White directed ASAP to inform ILMC and TLC clients that their workers would be cancelled and not allowed to "cross" into the United States if ASAP was not paid the \$99.00 per-worker fee. ASAP and CSI had no authority to prevent workers from entering the United States if so allowed under operation of the laws of the United States or to charge a fee to allow workers to participate in programs governed by the laws of the United States. Further, Eury and White instructed employees of ILMC to call ILMC clients and instruct them that their workers would be cancelled if the fee to ASAP was not promptly paid.

In particular, on or about February 5, 2009, Eury, Wicker and White directed ILMC and CSI to send a letter by United

States Mail and email to all clients of ILMC informing the clients that their workers would be "cancelled or delayed" if the \$99 fee to ASAP was not timely paid. Further, Eury, Wicker and White, through ASAP, provided invoices to ILMC and TLC clients for the \$99.00 per-worker fee including the statement in bold print that "Immediate Payment is required to avoid cancellation of your workers."

For example, on or about March 16, 2011 such an invoice was sent by ASAP to TLC client, Pride of VA Bait & Oyster, Inc., threatening the cancellation of foreign workers for whom H-2B Visas had been approved by the United States thus impairing and interfering with the lawful function of the United States Department of State by requiring Pride of VA Bait and Oyster to pay a fee, including a substantial amount benefitting Eury, Wicker and White to allow its workers to proceed to the consulate to make final application for H-2B visas for which the petitions had been approved.

This, the 22nd day of June, 2015.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on June 22, 2015, the foregoing was electronically filed with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following:

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